

August 14, 2025

Queensland Productivity Commission

BPIC SUBMISSION - QPC CONSTRUCTION PRODUCTIVITY INQUIRY - FEEDBACK ON INTERIM REPORT

The Building Products Industry Council (BPIC) is a national peak body representing Australia's leading building products industries and related services (listed in the footer of this document) in:

Steel	Gypsum Board	Concrete	
Insulation	Timber Products	Roof Tiles	Glass
Windows	Clay Bricks	Concrete Masonry	
Cement	Tiles	Insulated Sandwich Panels	

BPIC's members and associated companies directly employ 243,300 people and a further 796,500 indirectly. About 262,000 firms make up the sector and manufacturing, fabrication and installation activity accounts for \$67.3 billion in economic activity. BPIC is a not for profit organisation governed by a Board of Directors comprised of representatives from its member organisations.

We present our feedback to the QPC Construction Productivity Inquiry - Interim Report as follows:

PREVENT THE CREATION OF SUB-MARKETS - The Building Products Industry Council (BPIC) observes that one of the primary barriers to Queensland construction productivity is the notion that Queensland is so different to other states and that it requires "special" regulatory arrangements and variations to what is in place nationally. However, every uniquely Queensland piece of building regulation that differs from nationally-agreed arrangements (e.g. those in the National Construction Code), creates a local sub-market similar to that highlighted by the Commission's own concerns about local council regulatory changes (Interim Report - Page 29), that Australian building manufacturers struggle to supply because they cannot maintain economies of scale. This opens the door to non-conforming imported products, while slowly driving local suppliers out of business. As local suppliers disappear, so do local jobs and investment, while industry productivity falls further behind.

INCREASE DIGITISATION - A second break on productivity in Queensland is the continued failure of small to medium sized builders and tradespeople to adopt digitisation. By not using widely available and industry-proven digital technologies, easy and immediate productivity gains are missed.

INSTIGATE PRACTITIONER COMPLIANCE TRAINING - A third break on productivity in Queensland is an industry-wide failure to pro-actively and mandatorily upskill builders and tradespeople so they fully understand scheduled NCC changes. Unlike all the other building professions (engineers, architects, certifiers, etc) that do actively upskill their practitioners, this cohort seems to regularly argue for a watering down of regulatory requirements, presumably in the hope that they will organically come up to speed with NCC changes and compliance requirements over time.

APPLY CONSISTENT RECOMMENDATION LOGIC – The Interim Report identifies that fragmented and inconsistent regulation across jurisdictions and local government areas creates delays, increases costs, and undermines innovation; yet page 29 of the same report recommends doing just that, by suggesting: "There is a strong case for Queensland to opt out of any regulatory change, including changes to the NCC..." This is contradictory logic and undermines the validity of the Interim Report.

CHALLENGE NARRATIVES SUGGESTING NCC RED-TAPE - It is also our belief that the Queensland Productivity Commission should reject, or treat with suspicion, narratives that a) erroneously link a lack of housing affordability to ongoing necessary changes to the minimum building standards that make up the National Construction Code (NCC), b) mischaracterise energy efficiency and liveable housing standards as social policies and not legitimate built environment policies, c) brush over the impacts of inadequately trained building practitioners in regular NCC code and Australian Standards changes, and d) argue that increasing complexity in the NCC over time, is prima facie, leading to greater costs involved in complying with building codes and standards.

Where there are arbitrary statements being made about increased regulatory burden, BPIC would suggest that the Commission test such arguments and require evidence from those making such claims, about exactly how much more it is costing builders to comply with the current NCC than it was say 5 years ago, or 10 years ago, using a statistically significant sample size of builders, and data that can be easily and publicly verified.

BPIC also observes that criticisms of NCC 2022 with regards to energy efficiency and accessible housing requirements are outdated. Those changes were introduced into the NCC in 2010 along with widely-publicised trajectory documents clearly indicating milestone stringency increases that the industry should expect, for residential and commercial buildings. Even the stringency changes made in NCC 2022 (following a

previous 3 years of extensive industry consultation), these are now 3 years old. If the market in QLD hasn't been able to transition within that 3+3 year period, questions should be asked by the Commission as to why that is so. Is it less a case that the industry can't, and more a case that they just don't want to, or is there some other undocumented externality preventing broad regulatory compliance?

Furthermore if proponents of the argument that QLD should opt out of any regulatory change, including changes to the NCC (where a net benefit has not been demonstrated), the Commission should require a full analysis from those proponents, showing how such actions will directly lower the cost of housing, and/or improve productivity, over a 3, 5, and 10 year time horizon.

In the instances where QLD does opt out of any regulatory change, including changes to the NCC, BPIC would expect to see the Queensland government require the net benefit outlined by proponents to be fully realised with punitive measures in place for those who do not deliver on Code and Standards compliant affordability targets.

BPIC sees such investigatory rigour as essential to the voracity and credibility of any Final Report by the Commission.

CHALLENGE NARRATIVES SUGGESTING THE NCC IS TOO COMPLEX - Finally, BPIC offers the observation that much of the increase in the size and complexity of the NCC over time, isn't in vast amounts of additional regulatory requirement, it is in greatly increased clarification and explanatory material making compliance cheaper through broad reaching accessible Deemed-To-Satisfy solutions. Such additional material was added to the NCC at the specific request of building practitioners (the same ones now complaining about too much complexity) who argued years ago, that the code was too vague or ambiguous in various areas.

SUMMARY - Whilst there are undoubtedly other activities that would lead to an improvement of Queensland construction productivity, the Building Products Industry Council (BPIC) believes that a focus on the issues above, will net the biggest gains.

BPIC stands ready to work with the Queensland Government to deliver productivity gains through these common-sense and evidence-based approaches.

Kind regards,

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